

Report of Head of Public Health (Children and Families) and Commissioning Manager

Report to Director of Public Health

Date: 16th December 2019

Subject: Request to waive Contracts Procedure Rules 9.1, 9.2. 8.1 and 8.2 for Family Healthy Living Services – New Contract Arrangements from 1st April 2020.

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. Leeds City Council commissions a family healthy living programme that provides services promoting healthy weight for children and families by providing physical activity and healthy eating sessions, and delivering a tailored weight management programme.
2. The family healthy living programme is currently delivered through separate contracts with four local providers; Health for All (Leeds Ltd), LS-TEN, Leeds Community Healthcare Trust (LCH) and DANCE ACTION ZONE LEEDS. Following the Integrated Healthy Living Service Review (part of the Reducing Health Inequalities Breakthrough Project) work has been undertaken to establish a more integrated service offer
3. A 12 month extension of existing contracts was put into place with Health for All (Leeds Ltd), DANCE ACTION ZONE LEEDS and LS-TEN for the delivery of children’s physical activity and healthy eating services from 1st April 2019. This was to allow further time for the providers to integrate and develop aligned and varied services, which are attractive to those who need them. These contracts will end on 31st March 2020 and there are no further contract extensions available on the existing contracts.

4. The current one year contract with LCH to deliver the Watch-It children's weight management service is due to end on 30th April 2020. A new model of delivery is being developed.
5. This report seeks approval to waive contracts procedure rules to enter into three separate contracts with the three current 3rd sector family healthy living providers – Health for All (Leeds Ltd) and DANCE ACTION ZONE, LEEDS (see Table1) and LS-TEN (see Table 2). The new contracts will ensure continuity in the delivery of an integrated family healthy living service and ensure that the provision of work in Leeds most deprived communities is continued.

Recommendations

The Director of Public Health is recommended to:

- (i) Approve the waiver of Contracts Procedure Rules (CPRs) 9.1 and 9.2 (high value procurements) to enter into a new contract from 1st April 2020 with the current 3rd sector family healthy living provider **Health for All (Leeds Ltd)**.
- (ii) Approve the award of the contract to **Health for All (Leeds Ltd)** in the sum of £332,160.00 for the overall contract period (£ 83,040 per annum). The contract shall commence on the 1st April 2020 and expire on the 31st March 2022 with the option to extend for a period of up to 24 months in any combination
- (iii) Approve the waiver of Contracts Procedure Rules (CPRs) 9.1 and 9.2 (high value procurements) to enter into a new contract from 1st April 2020 with the current 3rd sector family healthy living provider **DANCE ACTION ZONE LEEDS**
- (iv) Approve the award of the contract to **DANCE ACTION ZONE LEEDS** in the sum of £314,080.00 for the overall contract period (£78,520 per annum). The contract shall commence on the 1st April 2020 and expire on the 31st March 2022 with the option to extend for a period of up to 24 months in any combination
- (v) Approve the waiver of Contracts Procedure Rules (CPRs) 8.1 and 8.2 (intermediate value procurements) to enter into a new contract from 1st April 2020 with the current 3rd sector family healthy living provider **LS-TEN**
- (vi) Approve the award of the contract to **LS-TEN** in the sum of £75,840.00 for the overall contract period (£18,960 per annum). The contract shall commence on the 1st April 2020 and expire on the 31st March 2022 with the option to extend for a period of up to 24 months in any combination

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval to waive Contracts Procedure Rules (CPRs) 9.1 and 9.2 (high value procurements) to enter into new contracts with the 3rd sector providers Health for All (Leeds Ltd) and DANCE ACTION ZONE LEEDS (see table 1) for the delivery of the family healthy living programme and to seek approval to waive Contracts Procedure Rules (CPRs) 8.1 and 8.2 (intermediate value procurements) to enter into a new contract with the 3rd sector provider LS-TEN (see table 2).
- 1.3 The proposed arrangements for all three contracts will start on 1st April 2020 for 2 years with the option to extend for up to 24 months.
- 1.4 The new contracts will ensure continuity in the delivery of an integrated family healthy living service and that the provision of work in Leeds most deprived communities is continued. The organisations already have a wealth of knowledge about the

communities they work within and have established relationships with a lot of the priority schools.

Contract details (Table 1)

Provider	Contract name	Existing Contract Ref	New overall Contract Value
Health for All (Leeds Ltd)	Children and Families Healthy Living Activities Service	DN299684	£ 332,160.00
DANCE ACTION ZONE LEEDS	Children and Families Healthy Living Activities Service	DN299680	£314,080.00

Contract details (Table 2)

LS-TEN	Children and Families Healthy Living Activities Service	DN413055	£75,840.00
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2. Background information

2.1 The family healthy living services were subject to short-term interim contracts from 1st April 2017 to provide service continuity whilst the procurement for the Integrated Health Living Project was completed.

2.2 The Integrated Healthy Living project was part of the Leeds City Council's Health Breakthrough Project "Early Intervention to Reduce Health Inequalities" and was reported to Executive Board on 9th March 2016, who gave authority for the project to progress and for new services to be procured. The Integrated Healthy Living Service comprised two elements:

- **One You Leeds** provides a holistic approach to delivering adult healthy living services (including smoking cessation and weight management). The procurement for this element was successful and the new service started on 1st October 2017.
- **Family Healthy Living Programme** was due to provide services for promoting healthy weight for children and families by providing physical activity and healthy eating sessions and delivering tailored weight management programmes. The procurement for this element was unsuccessful following a detailed review of the tender submissions.

2.3 The current contract arrangements with DANCE ACTION ZONE LEEDS, Health for All (Leeds Ltd) and LS-TEN to deliver the family healthy living programme were put in place on 1st October 2017 for 18 months (with an option to extend for a further 12

months) following the unsuccessful procurement to commission a single contract delivering the family healthy living programme.

- 2.4 Since 1st October 2017, Public Health Specialists working with Commissioning and Contract Managers have worked closely with the providers to ensure the services cover all aspects of the healthy living agenda, reflect the latest evidence base, are co-located where possible, and service users are able to access both specialist weight management services and suitable physical activity/healthy living sessions, particularly in more disadvantaged areas of the city. Contract monitoring of these new ways of working demonstrates successes including increased referrals between services and sharing of delivery venues.
- 2.5 These third sector providers demonstrate wider benefits for example added social value to Leeds as they engage local communities into their activities, and have trained and developed local participants who subsequently go on to run the programmes or take on paid roles within the organisation.
- 2.6 The organisations are embedded within the local communities, are trusted and recognised in the local area, and engage extremely well with the targeted children and usually exceed the key performance indicators. The services have provided good value for money as the providers use this LCC investment to lever further funding to enhance their healthy living work with local families. More recently the services have worked closely together, sharing venues in order to enhance their offer to young people and increasing awareness.
- 2.7 Services provided by The Works previously formed part of the Family Healthy Living Programme, however in January 2019 the management team was refreshed and the service was re-named LS-TEN. This service is unique to Leeds in that it offers access to a very popular indoor skate park in one of most deprived communities. In addition they also provide an alternative education offer and have established relationships with many families that would particularly benefit from this Healthy Living Offer.

3 Main issues

Reason for Contracts Procedure Rules Waiver

- 3.1 The current Health for All (Leeds Ltd), DANCE ACTION ZONE LEEDS and LS-TEN contracts for the delivery of the children's physical activity, healthy eating and weight management services are due to expire on the 31st March 2020. There are no options to further extend the contracts.
- 3.2 These organisations are considered to be best placed to recruit and support families most at risk of being an unhealthy weight in Leeds and have an established track record of doing this successfully. This alongside the added social value they provide and their willingness to work in a more integrated way mean they represent the best value option with regard to delivering Leeds Integrated Healthy living Service.
- 3.3 There are no internal service providers that are capable of delivering the services provided by the current organisations.
- 3.4 The current three providers Health for All (Leeds Ltd), DANCE ACTION ZONE LEEDS and LS-TEN continue to perform well and they are all on target to meet their key performance indicators for this year.

- 3.5 The providers are committed to working in partnership across the city and continue to attend training events, deliver sessions together at the same site and apply for joint funding which enables them to deliver higher levels of activity than could otherwise be achieved solely with the LCC budget allocation.
- 3.6 Once approval to award has been obtained a contract will be entered into using the council's standard tender documentation.

Consequences if the proposed action is not approved

- 3.7 Should the approvals not be granted to waive contract procedure rules and award new contracts to the current providers; the three current contracts will cease on 31st March 2020 and this would result in the loss of the integrated family healthy living service and the support this provides families to be a healthy weight in Leeds most deprived communities.

3.8 Advertising

- 3.8.1 No advertising has been undertaken on Yortender for the three contracts. The reasons for this are:
- (i) In October 2017 LCC was unsuccessful in the procurement to commission a single contract delivering the family healthy living programme. The current contract arrangements with DANCE ACTION ZONE LEEDS, Health for All (Leeds Ltd) and LS-TEN to deliver the family healthy living programme were subsequently put in place on 1st October 2017 for 18 months (with an option to extend for a further 12 months). These contracts will end on 31st March 2020.
 - (ii) Since 1st October 2017, Public Health Specialists working with Commissioning and Contract Managers have worked closely with the providers to ensure the services cover all aspects of the healthy living agenda, reflect the latest evidence base, are co-located where possible, and service users are able to access both specialist weight management services and suitable physical activity/healthy living sessions, particularly in more disadvantaged areas of the city. Contract monitoring of these new ways of working demonstrates successes including increased referrals between services and sharing of delivery venues.
 - (iii) These third sector providers demonstrate wider benefits for example added social value to Leeds as they engage local communities into their activities, and have trained and developed local participants who subsequently go on to run the programmes or take on paid roles within the organisation.
 - (iv) These organisations are embedded within the local communities, are trusted and recognised in the local area, and engage extremely well with the targeted children and usually exceed the key performance indicators. The services have provided good value for money as the providers use this LCC investment to lever further funding to enhance their healthy living work with local families. More recently the services have worked closely together, sharing venues in order to enhance their offer to young people and increasing awareness.

4 Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The request to enter into new contracts and maintain provision with the three current service providers means that there has been no change to current service provision and therefore no specific consultation has been required to take place.
- 4.1.2 The lead member has been briefed and is supportive of these service developments.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 There are no equality issues as services are not being removed. Weight management will be delivered via a new model and an equality impact assessment screening tool (EIA) will be completed as part of the remodelling process.

4.3 Council policies and best council plan

- 4.3.1 Continuity of the identified services will support the delivery of key public health priorities, which will help to deliver:
- Vision for Leeds 2011 to 2030
 - Leeds Health and Wellbeing Strategy 2016 – 21
 - Best Council Plan 2015 – 20
 - Children and Young People's Plan 2015-2019
 - The NHS Five Year Forward View and NHS Planning Guidance
 - Leeds Child Healthy Weight Plan 2018-2021
 - Leeds Inclusive Growth Strategy 2018-2023

4.4 Climate Emergency

The service specification requires the service to meet all legislation, guidance and good industry practice in environmental management and the objectives of the Council's sustainability policies. Officers from Adults and Health and Public Health will work with the service through the established contract management process to ensure the service is proactively seeking to minimise its carbon footprint and thereby support the Council in achieving its ambition to be carbon neutral by 2030.

4.5 Resources and value for money

- 4.5.1 The costs for the family healthy living programme contracts will be met by Public Health revenue funding. The budgets for each contract have been reviewed and as these services have already been subject to a series of cuts following Central Government's cuts to the ring-fenced public health grant, no further efficiencies are possible at the present time.
- 4.5.2 The third sector providers have proved good value for money, as they utilise Council funding as a platform for attracting other sources of funding, and thus deliver higher levels of activity than we could otherwise achieve within the funding envelope

4.5.3 The new contracts will continue to be closely contract managed to ensure robust performance monitoring takes place and value for money is being achieved for the Council.

4.6 Legal implications, access to information, and call-in

4.6.1 There are two Significant Operational Decisions (for Health For All (Ltd) and DANCE ACTION ZONE LEEDS) and one Administrative Decision (for LS-TEN). The decisions are not subject to call-in.

4.6.2 There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

4.6.3 Awarding the new contracts direct to these providers in this way could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent. In terms of transparency it should be noted that case law suggests that the Council should always consider whether contracts of this value could be of interest to contractors on other EU member states and, if it could, the opportunity should be subject to a degree of European wide advertising. It is up to the Council to decide what degree of advertising would be appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc.) and the geographical location of the place of performance.

4.6.4 The Director of Public Health has considered this and, due to the nature of the services being delivered, the relatively low contract value and the requirement to be physically located in Leeds, is of the view that the scope and nature of the services is such that it would not be of interest to providers in other EU member states.

4.6.5 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.

4.6.6 Although there is no overriding legal obstacle preventing the waiver of Contracts Procedure Rules 9.1, 9.2, 8.1 and 8.2, the contents of this report should be noted. In making their final decision, the Director of Public Health should be satisfied that the course of action chosen represents best value for the Council

4.7 Risk management

4.7.1 The new contract arrangements as described in this report, will allow continuity of service provision and enable the Council and the providers to continue to work together to integrate and enhance services whilst developing new service requirements to meet future needs. This contract will continue to be performance managed by the Council to ensure value for money is being achieved and any performance issues can be addressed.

4.7.2 Without this new arrangement, these services would fall out of contract causing significant risk to the Council and its providers. Should the services not continue to be delivered beyond the expiry of the current contract, this would result in people being without support, and increases in child obesity levels and health inequalities across the city.

5 Conclusions

- 5.1 This report is to seek approval to waive Contracts Procedure Rules (CPRs) 9.1 and 9.2 (high value procurements) to enter into new contracts with the 3rd sector providers Health for All (Leeds Ltd) and DANCE ACTION ZONE LEEDS (see table 1) for the delivery of the family healthy living programme and to seek approval to waive Contracts Procedure Rules (CPRs) 8.1 and 8.2 (intermediate value procurements) to enter into a new contract with the 3rd sector provider LS-TEN (see table 2).
- 5.2 The proposed arrangements for all three contracts will start on 1st April 2020 for 2 years with the option to extend for up to 24 months.
- 5.3 The new contracts will be offered on Local Authority standard terms and conditions, a review of performance measures will take place and implemented to ensure robust performance monitoring takes place in order to ensure the Council receives value for money.

6 Recommendations

The Director of Public Health is recommended to:

- (i) Approve the waiver of Contracts Procedure Rules (CPRs) 9.1 and 9.2 (high value procurements) to enter into a new contract from 1st April 2020 with the current 3rd sector family healthy living provider **Health for All (Leeds Ltd)**.
- (ii) Approve the award of the contract to **Health for All (Leeds Ltd)** in the sum of £332,160.00 for the overall contract period (£83,040 per annum). The contract shall commence on the 1st April 2020 and expire on the 31st March 2022 with the option to extend for a period of up to 24 months in any combination
- (iii) Approve the waiver of Contracts Procedure Rules (CPRs) 9.1 and 9.2 (high value procurements) to enter into a new contract from 1st April 2020 with the current 3rd sector family healthy living provider **DANCE ACTION ZONE LEEDS**
- (iv) Approve the award of the contract to **DANCE ACTION ZONE LEEDS** in the sum of £314,080.00 for the overall contract period (£78,520 per annum). The contract shall commence on the 1st April 2020 and expire on the 31st March 2022 with the option to extend for a period of up to 24 months in any combination
- (v) Approve the waiver of Contracts Procedure Rules (CPRs) 8.1 and 8.2 (intermediate value procurements) to enter into a new contract from 1st April 2020 with the current 3rd sector family healthy living provider **LS-TEN**
- (vi) Approve the award of the contract to **LS-TEN** in the sum of £75,840.00 for the overall contract period (£18,960 per annum). The contract shall commence on the 1st April 2020 and expire on the 31st March 2022 with the option to extend for a period of up to 24 months in any combination

7 Background documents¹

Appendix 1 - What is your reason for waiving CPRs?

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.